Michigan's Publicly Funded Mental Health and Substance Use Disorders System

House Health Policy Committee Presentation February 17, 2011

Michigan Association of Community Mental Health Boards

The Michigan Association of Community Mental Health Boards is a trade association, representing the 46 CMH boards and 65 of the providers who are under contract with those boards to provide mental health and substance use disorder services in all 83 counties in Michigan. Last year more than 240,000 persons received services from Michigan's community-based mental health and substance use disorder system. Those services assist individuals in achieving, maintaining and maximizing their potential and are provided in accordance with the principles of person centered planning.

Evolution of the CMH System

1965	1991	2010
12 County Community Mental Health Boards covering 16 counties – 7 in the planning process	55 Community Mental Health Boards covering all 83 counties	46 Community Mental Health Service Programs covering all 83 counties
41 state operated psychiatric hospitals and centers for persons with developmental disabilities – about 29,000 residents	20 state psychiatric hospitals and centers for persons with developmental disabilities – 3,054 residents	5 state operated hospitals and centers on February 24, 2010 – 818 residents

CMH and SUD Service Structure

- The CMH network provides 24 hour emergency/crisis response services, screens admissions to state facilities, acts as the single point of entry into the public mental health system, and manages mental health benefits (for persons not eligible for Medicaid enrollment) funded through the state's general fund allocation.
- <u>Community Mental Health Services Programs (CMHSPs)</u> The forty six (46) CMHSPs and the organizations with which they contract provide a comprehensive range of mental health services and supports to children, adolescents and adults with mental illnesses, developmental disabilities and substance use disorders in all 83 Michigan counties.
- Medicaid Prepaid Inpatient Health Plans (PIHPs) Eighteen (18) PIHPs manage the services and supports for persons enrolled in the Medicaid, MIChild and Adult Benefit Waiver programs. Ten (10) of these PIHPs are made up of an affiliation of at least two, as many as five separate CMHs. These affiliations were created in order to realize administrative efficiencies in managing services and to provide a sufficiently large base of Medicaid enrollees to manage the risk-based, capitated funding system used to finance the system of care for Medicaid beneficiaries.
- <u>Substance Abuse Coordinating Agencies (CAs)</u> The substance use disorder system is managed by sixteen (16) CAs which oversee the provision of substance use disorder (SUD) services funded by Medicaid, federal adult block grant, and general funds. These CAs operate as the single point of entry into the publicly funded substance use disorder system. Eight (8) of these CAs are organized within the PIHP structures identified above. The other 8 CAs operate as independent entities.

Community Mental Health Service Programs (CMHSP)

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Community Mental Health Services Programs



Prepaid Inpatient Health Plans (PIHP)



Community Based System of Care

For the past forty years Community Mental Health Service Programs (CMHSPs) across the state have developed comprehensive, community-based systems of care based on:

- Principles of person centered planning
- Self determination
- Continuous quality improvement
- Work with other community partners to enable hundreds of thousands of persons with chronic and complex mental illnesses, developmental disabilities, and substance use disorders to live meaningful lives in their communities.

For the past ten years, Prepaid Inpatient Health Plans (PIHPs), have managed the Medicaid resources as a carve out to support children with serious emotional disturbances, persons with developmental disabilities, adults with serious mental illnesses, and persons with substance use disorders. This carve out of specialty services and supports has enabled Michigan's publicly funded mental health and substance use disorder system to:

- Transform a mental health and developmental disability services systems that was hospital-based to one that is almost entirely community based. Last year Michigan closed its last regional center for persons with developmental disabilities. There are less than 800 adults with mental illnesses remaining in state institutions, many of whom are on forensic status.
- Blend general fund, Medicaid, private insurance, and grant financing resources to create integrated, responsive, and coordinated care delivery systems.
- Meet performance—based state and federal metrics related to access to care, timeliness of service, and care coordination outreach to primary care physician services.

Persons Served

- In 2009 there were over 300,000 individuals served by Michigan's Publicly Funded Mental Health and Substance Use Disorder System.
- 233,654 individuals served with mental illness and developmental disabilities.
- 69,832 served with substance use disorders.
- Since 2003 there has been a 26% increase in persons served by the CMH system.

How Do People Access Services?

- All CMHs have centralized access systems and a 24 hour emergency service.
- For non emergency referrals, a brief telephone screening will result a scheduled assessment for ongoing service. In emergent situations the person must be served within 3 hours.
- Persons with Medicaid are entitled to service. Persons without Medicaid are served based on the severity of their illness.

Who Receives Services

For persons without Medicaid coverage, the Mental Health Code establishes service priorities for CMHSPs as to who receives services:

- 1. Persons in emergent / crisis situations
- Persons with more severe forms of serious mental illness (SMI), serious emotional disturbance (SED), and developmental disability (DD), and substance use disorders
- 3. Persons with less severe or mild/moderate conditions, and the general community including prevention.

Due to significant budget reductions over the past 3 fiscal years (\$55 million – General Fund) those persons in category #3 are not receiving services.

Who Receives Services

For persons with Medicaid, access to mental health services is an entitlement. Based on a clinical assessment, people must be enrolled in appropriate services.

- People have a choice of provider.
- People denied service may have a second opinion.
- People may file appeals at the local & state level.
- People are not charged for services

Use state General Fund resources to leverage additional federal support

• Pursue enrollment of low income adults in Medicaid — Seek opportunities to use federal dollars as a way to pay for behavioral health services. Shifting the cost from the state general fund dollars to Medicaid would allow many unemployed or low income childless adults that do not have insurance and who currently do not qualify for Medicaid to receive much needed behavioral health services. Due to general fund reductions in mental health and substance use disorder support, persons with mild to moderate psychiatric and substance use disorders are being denied access to care. As more Michigan citizens are losing private health insurance due to job loss and cutbacks on employer sponsored healthcare insurance, these numbers will continue to grow. For many of these individuals, lack of early intervention and treatment services will result in more costly and less effective services being provided through emergency rooms, inpatient hospital stays, and criminal justice settings.

Work toward an integrated system of care

 Pursue a Medicaid state plan amendment (SPA) to designate the PIHP system and CMHSPs as the health homes for persons with these serious and chronic mental health and substance use disorders. This plan would build on the local networks of services and social supports already in place, and assure access to a wide range of physical health, mental health, and substance use assessment, treatment, and recovery services.

Structural Reforms to Reduce Administrative Costs

- Support the streamlining and improvement of Medicaid eligibility enrollment, including CMHs as designated agents.
- Support standardizing and simplifying administrative requirements for CMHs, PIHPs, and CAs; eliminate administrative requirements that do not improve outcomes for the persons served.
- Facilitate greater use of electronic health records and electronic exchange of health information. This will improve accuracy, timeliness, and coordination of physical and mental health care.

Mental Health Parity Legislation

- Michigan is one of 8 states that do not have a mental health parity law.
 Past proposed parity legislation has not been considered a mandate;
 however, it stated if a plan chooses to offer mental health coverage it
 must be at the same level as physical health coverage. Currently, most
 plans that offer mental health coverage do so with more restrictive caps
 on annual and lifetime benefits and considerably higher out-of-pocket
 costs.
- When polled, 83% of Michigan voters supported state legislation to establish mental health insurance parity.
- Mental health/substance use disorder parity legislation would help offset state general fund reductions. Due to the inequities and limitations on behavioral health insurance coverage, individuals with private health insurance end up using general fund dollars for treatment because their insurance arbitrarily limits or prohibits payment for medically necessary behavioral health treatment services.

Questions

Michigan Association of Community Mental Health Boards

426 S. Walnut St

Lansing, MI 48909

(517) 374-6848

Michael Vizena

Executive Director

mvizena@macmhb.org

Alan Bolter

Associate Director

abolter@macmhb.org